



ANNUAL STATEMENT
For the Year Ending December 31, 2009
OF THE CONDITION AND AFFAIRS OF THE
Advantage Healthplan Inc.

NAIC Group Code	0000 (Current Period)	0000 (Prior Period)	NAIC Company Code	95803	Employer's ID Number	52-1789742
Organized under the Laws of	District of Columbia		State of Domicile or Port of Entry	District of Columbia		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[]		Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X] N/A[]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]	
Incorporated/Organized	07/31/1992		Commenced Business	11/01/1994		
Statutory Home Office	1155 15th Street, N.W., Suite 810 (Street and Number)		Washington, DC 20005 (City or Town, State and Zip Code)			
Main Administrative Office	1155 15th Street, N.W., Suite 810 (Street and Number)					
	Washington, DC 20005 (City or Town, State and Zip Code)		(202)785-7835 (Area Code) (Telephone Number)			
Mail Address	P.O. Box 9596 (Street and Number or P.O. Box)		Washington, DC 20016 (City or Town, State and Zip Code)			
Primary Location of Books and Records	1155 15th Street, N.W., Suite 810 (Street and Number)					
	Washington, DC 20005 (City or Town, State and Zip Code)		(202)785-7835 (Area Code) (Telephone Number)			
Internet Website Address						
Statutory Statement Contact	Clinton E Jones (Name)		(202)785-7835 (Area Code)(Telephone Number)(Extension)			
	cjones@ahealthplan.com (E-Mail Address)		(202)785-7839 (Fax Number)			

OFFICERS

Name	Title
Elliot R. Wolff	President
Clinton E Jones	Chief Financial Officer

OTHERS

DIRECTORS OR TRUSTEES

Elliot R. Wolff

State of District of Columbia
County of ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature) Elliot R. Wolff (Printed Name) 1. President (Title)	(Signature) Clinton E. Jones (Printed Name) 2. Chief Financial Officer (Title)	(Signature) (Printed Name) 3. (Title)
Subscribed and sworn to before me this day of , 2010 (Notary Public Signature)	a. Is this an original filing? b. If no, 1. State the amendment number 2. Date filed 3. Number of pages attached	Yes[X] No[]

ASSETS

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols.1-2)	Net Admitted Assets
1.	Bonds (Schedule D)	1,161,863		1,161,863	1,306,565
2.	Stocks (Schedule D)				
2.1	Preferred stocks				19,050
2.2	Common Stocks	150,010		150,010	124,135
3.	Mortgage loans on real estate (Schedule B):				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate (Schedule A):				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....290,759 Schedule E Part 1), cash equivalents (\$.....0 Schedule E Part 2) and short-term investments (\$.....219,280 Schedule DA)	510,039		510,039	302,115
6.	Contract loans (including \$.....0 premium notes)				
7.	Other invested assets (Schedule BA)				
8.	Receivables for securities				
9.	Aggregate write-ins for invested assets				
10.	Subtotals, cash and invested assets (Lines 1 to 9)	1,821,912		1,821,912	1,751,865
11.	Title plants less \$.....0 charged off (for Title insurers only)				
12.	Investment income due and accrued	15,242		15,242	22,288
13.	Premiums and considerations:				
13.1	Uncollected premiums and agents' balances in the course of collection				
13.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums)				
13.3	Accrued retrospective premiums				
14.	Reinsurance:				
14.1	Amounts recoverable from reinsurers				
14.2	Funds held by or deposited with reinsured companies				
14.3	Other amounts receivable under reinsurance contracts				
15.	Amounts receivable relating to uninsured plans				
16.1	Current federal and foreign income tax recoverable and interest thereon				
16.2	Net deferred tax asset				
17.	Guaranty funds receivable or on deposit				
18.	Electronic data processing equipment and software				
19.	Furniture and equipment, including health care delivery assets (\$.....0)				
20.	Net adjustment in assets and liabilities due to foreign exchange rates				
21.	Receivables from parent, subsidiaries and affiliates				
22.	Health care (\$.....0) and other amounts receivable				
23.	Aggregate write-ins for other than invested assets	1,800	1,800		
24.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	1,838,954	1,800	1,837,154	1,774,153
25.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26.	Total (Lines 24 and 25)	1,838,954	1,800	1,837,154	1,774,153
DETAILS OF WRITE-INS					
0901.	.....			
0902.	.....			
0903.	.....			
0998.	Summary of remaining write-ins for Line 9 from overflow page				
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)				
2301.	Deposit paid on Administrative office space	1,800	1,800		
2302.	.....			
2303.	.....			
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	1,800	1,800		

LIABILITIES, CAPITAL AND SURPLUS

		Current Year			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded)				
2.	Accrued medical incentive pool and bonus amounts				
3.	Unpaid claims adjustment expenses				
4.	Aggregate health policy reserves				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserves				
7.	Aggregate health claim reserves				
8.	Premiums received in advance				
9.	General expenses due or accrued	57,815		57,815	16,285
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses))				
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15.	Amounts due to parent, subsidiaries and affiliates				
16.	Payable for securities				
17.	Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers)				
18.	Reinsurance in unauthorized companies				
19.	Net adjustments in assets and liabilities due to foreign exchange rates				
20.	Liability for amounts held under uninsured plans				
21.	Aggregate write-ins for other liabilities (including \$.....0 current)				
22.	TOTAL Liabilities (Lines 1 to 21)	57,815		57,815	16,285
23.	Aggregate write-ins for special surplus funds	X X X	X X X		
24.	Common capital stock	X X X	X X X	130,250	130,250
25.	Preferred capital stock	X X X	X X X		
26.	Gross paid in and contributed surplus	X X X	X X X	339,780	339,780
27.	Surplus notes	X X X	X X X		
28.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
29.	Unassigned funds (surplus)	X X X	X X X	1,309,309	1,287,838
30.	Less treasury stock, at cost:				
30.1	.....0 shares common (value included in Line 24 \$.....0)	X X X	X X X		
30.2	.....0 shares preferred (value included in Line 25 \$.....0)	X X X	X X X		
31.	TOTAL Capital and Surplus (Lines 23 to 29 minus Line 30)	X X X	X X X	1,779,339	1,757,868
32.	TOTAL Liabilities, Capital and Surplus (Lines 22 and 31)	X X X	X X X	1,837,154	1,774,153
DETAILS OF WRITE-INS					
2101.	.....			
2102.	.....			
2103.	.....			
2198.	Summary of remaining write-ins for Line 21 from overflow page				
2199.	TOTALS (Lines 2101 through 2103 plus 2198) (Line 21 above)				
2301.	.....	X X X	X X X		
2302.	.....	X X X	X X X		
2303.	.....	X X X	X X X		
2398.	Summary of remaining write-ins for Line 23 from overflow page	X X X	X X X		
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	X X X	X X X		
2801.	.....	X X X	X X X		
2802.	.....	X X X	X X X		
2803.	.....	X X X	X X X		
2898.	Summary of remaining write-ins for Line 28 from overflow page	X X X	X X X		
2899.	TOTALS (Lines 2801 through 2803 plus 2898) (Line 28 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year		Prior Year
		1 Uncovered	2 Total	3 Total
1.	Member Months	X X X		
2.	Net premium income (including \$.....0 non-health premium income)	X X X		
3.	Change in unearned premium reserves and reserve for rate credits	X X X		
4.	Fee-for-service (net of \$.....0 medical expenses)	X X X		
5.	Risk revenue	X X X		
6.	Aggregate write-ins for other health care related revenues	X X X		1,016
7.	Aggregate write-ins for other non-health revenues	X X X	252,001	
8.	TOTAL Revenues (Lines 2 to 7)	X X X	252,001	1,016
Hospital and Medical:				
9.	Hospital/medical benefits			
10.	Other professional services			
11.	Outside referrals			
12.	Emergency room and out-of-area			
13.	Prescription drugs			
14.	Aggregate write-ins for other hospital and medical			
15.	Incentive pool, withhold adjustments and bonus amounts			
16.	Subtotal (Lines 9 to 15)			
Less:				
17.	Net reinsurance recoveries			
18.	TOTAL Hospital and Medical (Lines 16 minus 17)			
19.	Non-health claims (net)			
20.	Claims adjustment expenses, including \$.....0 cost containment expenses			
21.	General administrative expenses	333,155	333,155	373,568
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)			
23.	TOTAL Underwriting Deductions (Lines 18 through 22)	333,155	333,155	373,568
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	(81,154)	(372,552)
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)	66,851	66,851	94,129
26.	Net realized capital gains (losses) less capital gains tax of \$.....0	1,514	1,514	10,102
27.	Net investment gains (losses) (Lines 25 plus 26)	68,365	68,365	104,231
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]			
29.	Aggregate write-ins for other income or expenses			
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	(12,789)	(268,321)
31.	Federal and foreign income taxes incurred	X X X		
32.	Net income (loss) (Lines 30 minus 31)	X X X	(12,789)	(268,321)
DETAILS OF WRITE-INS				
0601.	Healthcare settlements and sales of Furniture & Fixtures	X X X		1,016
0602.	.....	X X X		
0603.	.....	X X X		
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X		
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X		1,016
0701.	Distribution from bankruptcy claim	X X X	252,001	
0702.	.....	X X X		
0703.	.....	X X X		
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X		
0799.	TOTALS (Line 0701 through 0703 plus 0798) (Line 7 above)	X X X	252,001	
1401.	.....		
1402.	.....		
1403.	.....		
1498.	Summary of remaining write-ins for Line 14 from overflow page			
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)			
2901.	Penalties for late filing			
2902.	.....		
2903.	.....		
2998.	Summary of remaining write-ins for Line 29 from overflow page			
2999.	TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above)			

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2
		Current Year	Prior Year
CAPITAL & SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	1,757,868	2,082,002
34.	Net income or (loss) from Line 32	(12,789)	(268,321)
35.	Change in valuation basis of aggregate policy and claim reserves		
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	50,999	(107,151)
37.	Change in net unrealized foreign exchange capital gain or (loss)		
38.	Change in net deferred income tax		
39.	Change in nonadmitted assets	(16,740)	51,339
40.	Change in unauthorized reinsurance		
41.	Change in treasury stock		
42.	Change in surplus notes		
43.	Cumulative effect of changes in accounting principles		
44.	Capital Changes:		
44.1	Paid in		
44.2	Transferred from surplus (Stock Dividend)		
44.3	Transferred to surplus		
45.	Surplus adjustments:		
45.1	Paid in		
45.2	Transferred to capital (Stock Dividend)		
45.3	Transferred from capital		
46.	Dividends to stockholders		
47.	Aggregate write-ins for gains or (losses) in surplus		
48.	Net change in capital and surplus (Lines 34 to 47)	21,470	(324,133)
49.	Capital and surplus end of reporting year (Line 33 plus 48)	1,779,338	1,757,869
DETAILS OF WRITE-INS			
4701.	.....	
4702.	.....	
4703.	.....	
4798.	Summary of remaining write-ins for Line 47 from overflow page		
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)		

CASH FLOW

		1	2
		Current Year	Prior Year
Cash from Operations			
1.	Premiums collected net of reinsurance		
2.	Net investment income	151,190	116,698
3.	Miscellaneous income	252,001	1,016
4.	Total (Lines 1 through 3)	403,191	117,714
5.	Benefit and loss related payments		
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	333,155	373,568
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)		
10.	Total (Lines 5 through 9)	333,155	373,568
11.	Net cash from operations (Line 4 minus Line 10)	70,036	(255,854)
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	450,000	496,500
12.2	Stocks	25,778	300,337
12.3	Mortgage loans		
12.4	Real estate		
12.5	Other invested assets		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7	Miscellaneous proceeds		8,615
12.8	Total investment proceeds (Lines 12.1 to 12.7)	475,778	805,452
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	304,085	299,578
13.2	Stocks		
13.3	Mortgage loans		
13.4	Real estate		
13.5	Other invested assets		
13.6	Miscellaneous applications	33,805	10,102
13.7	Total investments acquired (Lines 13.1 to 13.6)	337,890	309,680
14.	Net increase (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	137,888	495,772
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock		
16.3	Borrowed funds		
16.4	Net deposits on deposit-type contracts and other insurance liabilities		
16.5	Dividends to stockholders		
16.6	Other cash provided (applied)		
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)		
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	207,924	239,918
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	302,115	62,197
19.2	End of year (Line 18 plus Line 19.1)	510,039	302,115

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001		
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ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

		1	2	3	4	5	6	7	8	9	10
		Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1.	Net premium income										
2.	Change in unearned premium reserves and reserve for rate credit										
3.	Fee-for-service (net of \$.....0 medical expenses)										X X X
4.	Risk revenue										X X X
5.	Aggregate write-ins for other health care related revenues										X X X
6.	Aggregate write-ins for other non-health care related revenues	252,001	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	252,001
7.	TOTAL Revenues (Lines 1 to 6)	252,001									252,001
8.	Hospital/medical benefits										X X X
9.	Other professional services										X X X
10.	Outside referrals										X X X
11.	Emergency room and out-of-area										X X X
12.	Prescription drugs										X X X
13.	Aggregate write-ins for other hospital and medical										X X X
14.	Incentive pool, withhold adjustments and bonus amounts										X X X
15.	Subtotal (Lines 8 to 14)										X X X
16.	Net reinsurance recoveries										X X X
17.	TOTAL Hospital and Medical (Lines 15 minus 16)										X X X
18.	Non-health claims (net)		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
19.	Claims adjustment expenses including \$.....0 cost containment expenses										
20.	General administrative expenses	333,155									333,155
21.	Increase in reserves for accident and health contracts										X X X
22.	Increase in reserves for life contracts		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
23.	TOTAL Underwriting Deductions (Lines 17 to 22)	333,155									333,155
24.	Net underwriting gain or (loss) (Line 7 minus Line 23)	(81,154)									(81,154)
DETAILS OF WRITE-INS											
0501.	Settlements, rebates, refunds & Overpayments										X X X
0502.	.....										X X X
0503.	.....										X X X
0598.	Summary of remaining write-ins for Line 5 from overflow page										X X X
0599.	TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)										X X X
0601.	Distribution from bankruptcy claim	252,001	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	252,001
0602.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0603.	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0698.	Summary of remaining write-ins for Line 6 from overflow page		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	252,001	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	252,001
1301.	0										X X X
1302.	0										X X X
1303.	.....										X X X
1398.	Summary of remaining write-ins for Line 13 from overflow page										X X X
1399.	TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above)										X X X

8	Underwriting Invest Exh Pt 1 - Premiums	NONE
9	Underwriting Invest Exh Pt 2 - Claims Incurred	NONE
10	Underwriting Invest Exh Pt 2A - Claims Liab.	NONE
11	Underwriting Invest Exh Pt 2B - Claims UnPaid	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Total	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Total	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Total	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Hospital and Medical	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Hospital and Medical ...	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Hospital and Medical ...	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Medicare Supplement	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Medicare Supplement ...	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Medicare Supplement ...	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Dental Only	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Dental Only	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Dental Only	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Vision Only	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Vision Only	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Vision Only	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Fed Emp HBPP	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Fed Emp HBPP	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Fed Emp HBPP	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Title XVIII-Medicare	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Title XVIII-Medicare	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Title XVIII-Medicare	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Title XIX-Medicaid	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Title XIX-Medicaid	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Title XIX-Medicaid	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Other	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur Claims - Other	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Other	NONE
13	Underwriting Invest Exh Pt 2D - A & H Reserve	NONE

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

		Claim Adjustment Expenses		3	4	5
		1	2			
		Cost Containment Expenses	Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1.	Rent (\$.....0 for occupancy of own building)			48,612		48,612
2.	Salaries, wages and other benefits			125,491		125,491
3.	Commissions (less \$.....0 ceded plus \$.....0 assumed)					
4.	Legal fees and expenses			107,939		107,939
5.	Certifications and accreditation fees					
6.	Auditing, actuarial and other consulting services			22,261		22,261
7.	Traveling expenses			6,960		6,960
8.	Marketing and advertising					
9.	Postage, express and telephone			3,807		3,807
10.	Printing and office supplies			1,123		1,123
11.	Occupancy, depreciation and amortization					
12.	Equipment					
13.	Cost or depreciation of EDP equipment and software					
14.	Outsourced services including EDP, claims, and other services					
15.	Boards, bureaus and association fees			4,888		4,888
16.	Insurance, except on real estate			2,042		2,042
17.	Collection and bank service charges			1,884		1,884
18.	Group service and administration fees					
19.	Reimbursements by uninsured plans					
20.	Reimbursements from fiscal intermediaries					
21.	Real estate expenses					
22.	Real estate taxes					
23.	Taxes, licenses and fees:					
23.1	State and local insurance taxes					
23.2	State premium taxes					
23.3	Regulator authority licenses and fees			995		995
23.4	Payroll taxes			7,153		7,153
23.5	Other (excluding federal income and real estate taxes)					
24.	Investment expenses not included elsewhere					
25.	Aggregate write-ins for expenses					
26.	TOTAL Expenses Incurred (Lines 1 to 25)			333,155		(a) 333,155
27.	Less expenses unpaid December 31, current year			57,815		57,815
28.	Add expenses unpaid December 31, prior year			16,285		16,285
29.	Amounts receivable relating to uninsured plans, prior year					
30.	Amounts receivable relating to uninsured plans, current year					
31.	TOTAL Expenses Paid (Lines 26 minus 27 plus 28 minus 29 plus 30)			291,625		291,625
DETAILS OF WRITE-INS						
2501.	.....				
2502.	.....				
2503.	.....				
2598.	Summary of remaining write-ins for Line 25 from overflow page					
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)					

(a) Includes management fees of \$.....0 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) .....	.....
1.1	Bonds exempt from U.S. tax	(a)..... 37,321	..... 51,443
1.2	Other bonds (unaffiliated)	(a)..... 13,068	..... 5,308
1.3	Bonds of affiliates	(a) .....	.....
2.1	Preferred stocks (unaffiliated)	(b)..... 1,290	..... 1,290
2.11	Preferred stocks of affiliates	(b)..... 7,832	..... 7,832
2.2	Common stocks (unaffiliated) .....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans	(c) .....	.....
4.	Real estate	(d) .....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments	(e)..... 978	..... 978
7.	Derivative instruments	(f) .....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....	.....
10.	Total gross investment income .....	..... 60,489	..... 66,851
11.	Investment expenses .....	.....	(g)
12.	Investment taxes, licenses and fees, excluding federal income taxes .....	.....	(g)
13.	Interest expense .....	.....	(h)
14.	Depreciation on real estate and other invested assets .....	.....	(i)
15.	Aggregate write-ins for deductions from investment income .....	.....	.....
16.	Total deductions (Lines 11 through 15) .....	.....	.....
17.	Net Investment income (Line 10 minus Line 16) .....	.....	..... 66,851
DETAILS OF WRITE-INS			
0901.	0 .....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above) .....	.....	.....
1501.	.....	.....	.....
1502.	.....	.....	.....
1503.	.....	.....	.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....	.....	.....
1599.	TOTALS (Lines 1501 through 1503 plus 1598) (Line 15, above) .....	.....	.....
(a) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.			
(c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.			
(e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.			
(g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.			
(h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.			
(i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.			

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....	..... 1,020	.....	..... 1,020	.....	.....
1.1	Bonds exempt from U.S. tax .....	.....	.....	.....	.....	.....
1.2	Other bonds (unaffiliated) .....	.....	.....	.....	.....	.....
1.3	Bonds of affiliates .....	.....	.....	.....	.....	.....
2.1	Preferred stocks (unaffiliated) .....	..... 492	.....	..... 492	.....	.....
2.11	Preferred stocks of affiliates .....	.....	.....	.....	.....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....	.....	..... 50,999	.....
2.21	Common stocks of affiliates .....	.....	.....	.....	.....	.....
3.	Mortgage loans .....	.....	.....	.....	.....	.....
4.	Real estate .....	.....	.....	.....	.....	.....
5.	Contract loans .....	.....	.....	.....	.....	.....
6.	Cash, cash equivalents and short-term investments .....	.....	.....	.....	.....	.....
7.	Derivative instruments .....	.....	.....	.....	.....	.....
8.	Other invested assets .....	.....	.....	.....	.....	.....
9.	Aggregate write-ins for capital gains (losses) .....	.....	.....	.....	.....	.....
10.	Total capital gains (losses) .....	..... 1,512	.....	..... 1,512	..... 50,999	.....
DETAILS OF WRITE-INS						
0901.	.....	.....	.....	.....	.....	.....
0902.	.....	.....	.....	.....	.....	.....
0903.	.....	.....	.....	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page ..	.....	.....	.....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above) ..	.....	.....	.....	.....	.....

EXHIBIT OF NONADMITTED ASSETS

		1	2	3
		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D)			
2.	Stocks (Schedule D):			
2.1	Preferred stocks			
2.2	Common stocks			
3.	Mortgage loans on real estate (Schedule B):			
3.1	First liens			
3.2	Other than first liens			
4.	Real estate (Schedule A):			
4.1	Properties occupied by the company			
4.2	Properties held for the production of income			
4.3	Properties held for sale			
5.	Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6.	Contract loans			
7.	Other invested assets (Schedule BA)			
8.	Receivables for securities			
9.	Aggregate write-ins for invested assets			
10.	Subtotals, cash and invested assets (Lines 1 to 9)			
11.	Title plants (for Title insurers only)			
12.	Invested income due and accrued		(18,066)	(18,066)
13.	Premium and considerations:			
13.1	Uncollected premiums and agents' balances in the course of collection			
13.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due			
13.3	Accrued retrospective premiums			
14.	Reinsurance:			
14.1	Amounts recoverable from reinsurers			
14.2	Funds held by or deposited with reinsured companies			
14.3	Other amounts receivable under reinsurance contracts			
15.	Amounts receivable relating to uninsured plans			
16.1	Current federal and foreign income tax recoverable and interest thereon			
16.2	Net deferred tax asset			
17.	Guaranty funds receivable or on deposit			
18.	Electronic data processing equipment and software			
19.	Furniture and equipment, including health care delivery assets			
20.	Net adjustment in assets and liabilities due to foreign exchange rates			
21.	Receivables from parent, subsidiaries and affiliates			
22.	Health care and other amounts receivable			
23.	Aggregate write-ins for other than invested assets	1,800	3,126	1,326
24.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	1,800	(14,940)	(16,740)
25.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
26.	Total (Lines 24 and 25)	1,800	(14,940)	(16,740)
DETAILS OF WRITE-INS				
0901.	.....		
0902.	.....		
0903.	.....		
0998.	Summary of remaining write-ins for Line 9 from overflow page			
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)			
2301.	Deposit on Administrative office space	1,800	3,126	1,326
2302.	.....		
2303.	.....		
2398.	Summary of remaining write-ins for Line 23 from overflow page			
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	1,800	3,126	1,326

17	Exhibit 1 - Enrollment By Product Type	NONE
18	Exhibit 2 - Accident and Health Premiums	NONE
19	Exhibit 3 - Health Care Receivables	NONE
20	Exhibit 4 - Claims Unpaid	NONE
21	Exhibit 5 - Amounts Due From Parent	NONE
22	Exhibit 6 - Amounts Due to Parent	NONE
23	Exhibit 7 - Pt1 - Summary Trans. With Prov	NONE
23	Exhibit 7 - Pt 2 - Summary Trans. With Interm	NONE
24	Exhibit 8 - Furniture and Equipment Owned	NONE

Notes to Financial Statements

Advantage Healthplan Inc.
December 31, 2009

1. Summary of Significant Accounting Policies
 - A. The accompanying financial statements of the Advantage Healthplan Inc. (the "Company") have been prepared in conformity with the NAIC Annual Statement Instructions and Accounting Policies and Procedures and the laws of the District of Columbia. All of the Company's insurance operations had been transferred on or before December 31, 2004. See Note 4 Discontinued Operations.
 - B. The preparation of the financial statements in conformity with the Annual Statement Instructions and Accounting Practices and Procedures manual requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, revenues and expenses in the financial statements and in the disclosure of contingent assets and liabilities. Actual results may differ from those estimates.
 - C.
 - (1) The Company's short-term investments are at market value.
 - (2) Bonds are at amortized cost using the scientific interest method.
 - (3) Common stocks are at market value.
 - (4) Preferred stocks are at market value.
 - (5) The Company has no mortgage loans.
 - (6) The Company has no loan backed securities.
 - (7) The Company has no investments in subsidiaries, controlled or affiliated companies.
 - (8) The Company has no investments in joint ventures, partnerships or limited companies.
 - (9) The Company has no derivatives.
 - (10) The Company did include anticipated investment income as a factor in the premium deficiency calculation.
 - (11) No claims liability is reported and the Company believes that any currently asserted claims are outside of the timely filing requirement and are therefore not valid.
 - (12) The Company has not changed the capitalization policy.
2. Accounting Changes and Corrections of Errors
There were no accounting changes during the current year.
3. Business combinations and Goodwill
There were no business combinations or goodwill.
4. Discontinued Operations
The Government of the District of Columbia terminated all of the Company's Medicaid enrollment on August 31, 2004. The Medicaid contract represented approximately 99% of the Company's enrollment and premium revenue. Therefore, the Company promptly chose to discontinue all HMO operations including immediate discontinuance of accepting new commercial business, cessation of coverage of commercial enrollees on December 31, 2004, and the subsequent winding up of administrative and other HMO activities. These Company actions were reported to and approved by the District of Columbia Department of Insurance, Securities and Banking.
5. Investments
 - A. Mortgage Loans-The Company has no mortgage loans.
 - B. Debt Restructuring-The Company has no debt restructuring.
 - C. Reverse Mortgages-The Company has no reverse mortgages.
 - D. Loan-Backed Securities-The Company has no loan-backed securities.
 - E. Repurchase Agreements-The Company has no repurchase agreements.
 - F. Real Estate-The Company has no real estate.
6. Joint Ventures, Partnerships and Limited Liability Companies
The Company has no investments in joint ventures, partnerships or limited liability companies.
7. Investment Income
The Company does not exclude any investment income.
8. Derivative Instruments
The Company has no derivative instruments.
9. Income Taxes
The Company has elected S Corporation federal income tax status under Sections 1361-1379 of the Internal Revenue Code of 1986, and the Internal Revenue Service has approved that election. Accordingly, the Company is not subject to federal income taxes.
10. Information Concerning Parent, Subsidiaries and Affiliates
The Company is directly controlled by the Estate of Barrington B. Barnes, M.D., which owns 10% of the Company's stock, and by Elliot R. Wolff, who owns 90% of the Company's outstanding stock and who serves as a director as well as Chief Executive Officer, President and Chairman.
11. Debt
The Company has no debt.
12. Retirement Plans, Deferred Compensation, Post employment Benefits and Compensated Absences and Other Postretirement Benefit Plans.

The Company adopted a 401(k) defined contribution plan during the fiscal year ended September 30, 1995. Employees can defer up to 15 percent of compensation through deposits into the plan, and the Company matches employee contributions up to 100 percent. The eligibility requirements to participate in the 401(k) plan are completion of 90 days of employment and attainment of 21 years of age. The plan also permits the Company to make profit-sharing contributions for which the eligibility requirement is employment with the Company on the last day of the fiscal year.

Notes to Financial Statements

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- (1) Common stock has a par value of \$.10 per share. As of December 31, 2009, 2,000,000 shares were authorized and 1,302,500 shares were issued and outstanding.
- (2) There is no preferred stock.
- (3) There are no dividend restrictions.
- (4) There are no restrictions on the portion of the Company's profits that may be paid as ordinary dividends to stockholders.
- (5) There are no restrictions on unassigned funds (surplus).
- (6) There are no advances to surplus not repaid.
- (7) The Company does not hold stock for conversion of preferred stock, employee stock options or stock purchase warrants.
- (8) The Company does not have any special surplus funds.
- (9) The portion of the unassigned funds (surplus) represented by:
 - a. Unrealized gains and losses \$41,555
 - b. Nonadmitted asset values \$1,800
 - c. Separate account business \$-0-
 - d. Asset valuation reserves \$-0-
 - e. Provision for reinsurance \$-0-
- (10) The Company has no surplus notes.
- (11) The Company did not have a quasi-reorganization.

14. Contingencies

A. Contingent Commitments

The Company did not have any commitments to a joint venture partnership or limited liability company.

B. Assessments

The Company has no known assessments.

C. The Company has no gain contingencies.

D. All Other Contingencies

- The Company has a claim pending in the District of Columbia Contract Appeals Board against the District for damages under the Medicaid Contract from 1994 – 1998 for premiums due for newborn enrollees under the Medicaid Contract, for failure to calculate an actuarially sound capitation rate as required by the contract and District and federal law, and for breach of the Medicaid Contract by not permitting voluntary selections and default assignments to the Company in 1997 and 1998. The District has filed a counterclaim seeking offset and damages for alleged failure by the Company to provide certain services under the Medicaid Contract, as well as a motion to dismiss the Company's claim for lack of jurisdiction. The Company has contested the District's counterclaim and motion to dismiss, and these and procedural motions are pending decision by the Contract Appeals Board.
- A hospital filed a suit against the Company on October 14, 2003, seeking payment for services provided to five individuals who are alleged to have been enrolled in the Company's HMO. The hospital claims that the Company owes it \$189,700 as payment for medical services provided to those individuals. It also seeks attorneys' fees in the amount of \$62,236. The Company's motion to dismiss this litigation is pending in the United States District Court for the District of Columbia.
- The Company also has litigation pending against the District in the Contract Appeals Board for damages as a result of the District's termination of the Medicaid Contract in August 2004 and for claims that arose under the Medicaid Contract.

15. Leases

A. (1) The Company has a sublease which totals \$21,600 and ends December 31, 2010.

(2) The Company does not have any sale-leaseback transactions.

B. Leasing is not a significant part of the Company's business activities in terms of revenue, net income or assets.

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk. The Company does not have any financial instruments with off-balance sheet risk or financial instruments with concentrations of credit risk.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

The Company did not sell, transfer and service financial assets nor extinguish any liabilities.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans.

The Company does not have any gain or loss from uninsured plans.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

The Company does not have any direct premium produced by managing general agents or third party administrators.

20. September 11 Events

The Company did not sustain any losses nor does it have any contingencies as a result of September 11 events.

21. Other Items

A. Extraordinary Items-The Company has no extraordinary events or transactions.

B. Troubled Debt Restructuring-The Company has no debt.

C. Other Disclosures-The Company did not have any other unusual items such as amounts not recorded in the financial statements that represent segregated funds held for others or assets pledged to others as collateral.

D. Uncollected premium balances- The Company has no uncollected premium.

E. Business Interruption Insurance Recoveries-The Company had no business interruptions that were insurable.

22. Events Subsequent

No events occurred subsequent to the close of the books or accounts for this statement that may have a material effect on the financial condition of the Company.

Notes to Financial Statements

23. Reinsurance
The Company has no reinsurance of any type in force.
24. Retrospectively Rated Contracts
The Company did not retrospectively rate contracts
25. Change in Incurred Claims and Claim Adjustment Expenses
None.
26. Intercompany Pooling Arrangements
The Company is not part of a group of affiliated insurers.
27. Structured Settlements - Not applicable.
28. Health Care Receivables
The Company has no health care receivables.
29. Participating Policies
The Company does not have any participating policies.
30. Premium Deficiency Reserves
The Company currently has no premium deficiency recorded.
31. Anticipated Salvage and Subrogation
The Company did not reduce the liability for unpaid claims or losses for any amounts related to salvage or subrogation.
32. Minimum Net Worth - General Interrogatory Part 2 - #2 Line 11.6
Under the law of the District of Columbia, the Company is required to maintain a minimum net worth equal to the greatest of \$1,000 000, 2% of annual revenues, the sum of three months of uncovered expenses, or 4% of hospital expenditures paid on a managed care basis plus 8% of annual healthcare expenditures not paid on either a capitated or managed care basis. The Company is in compliance with this law.

	Annual revenue	\$0 x 2% =	<u>\$0</u>
	Healthcare expenditures		
	@ 4%	\$0 x 4% =	\$0
	@ 8%	\$ 0 x 8% =	\$ 0
		total	<u>0</u>
Minimum dollar amount		=	<u>\$1,000,000</u>